



Bankruptcy Clerk's Newsletter

Volume I
July 1998

FROM THE CLERK OF COURT

By Ellen A. Johanson, Clerk of Court

PLAN *For the Future*

Over the years I have experienced many changes in the bankruptcy system and in court management. Perhaps the most enjoyable change is also the most perplexing change and one that is never finished - the move to automation in case management and in general business practices. Back in 1985 when we received our first computer, I admit that I was not particularly visionary and I had no idea where all this was going. By 1990 we had the capability to perform full docket management on a computer, we had a full-time systems manager and within a few months of his arrival, we all had computers at our desks. At that time, I took automation as it came. In other words, I was spoon fed. I am still not particularly creative with computer uses, but I do have a vision as to how you (the practicing bar) and I will work together in the future. I want to share this with you.

About a year ago we began a process of imaging every old paper docket into an electronic format. We developed this as a means of providing security for our old paper records. We quickly realized that this had some additional value and could be used as a research tool that would be valuable for our staffs, and for the public too, if they could access the information. At this same time courts, including the North Dakota Bankruptcy Court, began developing web pages that only judiciary employees could access. It was our wish to get our site out to the public. The Ninth Circuit has offered us a gateway to the internet through their secured access. We expect to have this site available to you within the next few weeks. The Administrative Office of the U.S. Courts and the Judicial Conference are working on devising a user fee schedule for internet research. Until then we will offer via the internet some information to you without charge, including access to our scanned dockets. Systems Manager Jim Snyder and Systems Administrator Ron Davies have authored an article in this newsletter and you can read more about it.

Within the next twelve months the clerks office will also begin the process of imaging every paper document filed. Eventually we expect that you will have access to these imaged documents, either through PACER, the internet, or by that time, PACER may be accessible on the internet. It is our

hope that once PACER is on the internet, we will have enough documents scanned to provide you with a good database of electronic files.

Some courts are experimenting with electronic document filing and electronic service, via the internet. Parties volunteer to participate and those who do not wish to may still use paper filing and paper service of documents. The pilot courts are experimenting with a variety of methods, and to date, the judicial conference has not sanctioned the method or any particular style. We will keep you posted as electronic filing develops.

The Bankruptcy Noticing Center is also working with several courts to pilot electronic notice to larger creditors. Creditors may volunteer to receive their notices via e-mail. This opportunity will be made nation-wide sometime this summer. The judiciary expects to save postage money through electronic noticing.

My personal belief is that electronic filing, electronic notice, paperless files and internet access to all information in our files will be the business style of the future. As with all automation, it will not come soon enough, but it will be here sooner that we believe. We are taking some baby-steps now, with internet access for research, creation of imaged files, and by providing you with options for electronic noticing. It is our hope that we will be ready for you - and you will be ready for us - at the point that we both want electronic filing, service and paperless files.

“WWW.NDB.USCOURTS.GOV”

We're On The Web

By Ron Davies, Systems Administrator

You have seen them on commercials, you have seen them in magazines, you have seen them just about everywhere. URLs, or Uniform Resource Locators, more commonly known as web addresses, have become commonplace in many areas of our life and now it is our turn. The United States Bankruptcy Court for the District of North Dakota is on the Internet. You can visit our site at www.ndb.uscourts.gov.

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A couple of months ago, it was determined that it was time to start providing information to you, our clients, through the Internet. Since then we have been working on designing our “on-line home” as well as gathering the information that we are going to make available. This information will be available 24 hours a day, 7 days a week. Here are some of the items that will be available to you, and some that we plan to make available in the not so distant future:


1. **Contact Info:** This will include information on how to contact us such as phone numbers, mailing addresses and e-mail addresses.
2. **Court Calendar:** The court calendar will be available on-line.
3. **Fee Schedules:** Information regarding the various fees the clerk is mandated to collect.

4. **FAQs:** Frequently Asked Questions: We will have a list of the questions we are most frequently asked as well as the answers to those questions. Need a question answered, but it is after office hours? It is possible that you could find the answer here.
5. **Local Filing Stats:** Filing statistics for the North Dakota Bankruptcy Court.
6. **Local Rules:** Local Rules for the North Dakota Bankruptcy Court.
7. **Public Forms:** Informational forms, the same ones you can pick up at the office, will be available on-line. We will also have forms that you can fill out on-line.
8. **Opinions:** These will not be available right away, but we plan to provide access to Judge Hill's opinions.
9. **Court Documents:** Again, these will not be available right away. We are undertaking a filing project next year that we hope will allow us to give you access to many court files.
10. **Paper Dockets:** One last time, while they won't be available right away, old paper court docket sheets will also be made available on-line.

Since Internet access is considered experimental, for now we will be able to offer this to you without charge. The Judicial Conference is considering the types of information that can be collected and disseminated electronically. Users can expect some sort of fee, for some information in the future.

These are just some of the things that we will be providing on the web-site. We will cover all of this in more detail at the October In-Service seminar. If you haven't come before, or even if you have, this is a great year to do so. We will demo the site and show you how to get the most out of it. This is an exciting project for us and we hope you are excited too.

NORTH DAKOTA BANKRUPTCY STATISTICS FOR SIX MONTH PERIOD ENDING JUNE 30, 1998

	<u>1997</u>	<u>1998</u>	<u>CHANGE</u>
Cases	1008	1130	12%
Estates 	1452	1987	37%
Joint Cases	444	757	70%
Business Cases	93	65	-30%
Chapter 7 Cases	938	1070	14%
Chapter 11 Cases	4	1	-75%
Chapter 12 Cases	25	17	-32%
Chapter 13 Cases	41	42	2%
Farm Related Cases	39	17	-56%
Adversary Proceedings	51	45	-12%

U.S. TRUSTEE NEWS

From Bruce Gering, Assistant United States Trustee

New Law Protects Charitable Giving Under the Code

President Clinton has signed into law the "Religious Liberty and Charitable Donation Protection Act of 1998" which will protect tithing and charitable giving under the Bankruptcy Code from the reach of creditors and trustees.

The legislation was in response to several court cases in which religious organizations have been forced to repay contributions made by debtors. However, it goes further and allows debtors in bankruptcy to make **reasonable** charitable contributions.

Specifically, the new law:

- < Amends § 1325 to permit Chapter 13 debtors to make reasonable charitable contributions while in Chapter 13.
- < Amends § 707(b) to add that in making a determination whether to dismiss a case for substantial abuse, the court may not take into consideration whether the debtors have made or continue to make reasonable charitable contributions.
- < Amends § 544(b) to take away the trustee or other person's power to invoke state fraudulent transfer laws in bankruptcy court.
- < Amends § 548(a)(2) to provide that a "transfer of a charitable contribution to a qualified religious or charitable entity or organization shall not be considered to be a fraudulent transfer in any case in which - - (A) the amount of that transfer does not exceed 15 percent of the gross annual income of the debtor

for the year in which the contribution was made; or (B) the contribution made by a debtor exceeded 15 percent but was reasonable and consistent with the practices of the debtor in making charitable contributions".

- < Amends § 548(d) to give the terms "charitable contribution" and qualified religious or charitable entity or organization" the meaning given those terms in the Internal Revenue Code.
- < Provides that the new law will apply to any bankruptcy case that is pending or commenced on or after June 19, 1998.

CHANGE OF ADDRESS NOTIFICATION

EFFECTIVE IMMEDIATELY, all payments pertaining to the Visa/MasterCard accounts should be sent to the following address:

**G.E. CARD SERVICES
P.O. BOX 36957
CANTON, OHIO 44735
ATTN: RECOVERY PAYMENT
PROCESSING**

Any payment sent to the previous addresses of Lenexa, Kansas or Shawnee Mission, Kansas will result in a delay of posting.

STATUTORY DOLLAR CHANGES

On April 1, 1998, automatic adjustments to the dollar amounts stated in various provisions of the Bankruptcy Code, title 11, U.S.C. became effective. These amended dollar amounts will apply to cases filed on or after April 1, 1998. See the attachment with code citations.

BANKRUPTCY COURT PHONE NUMBERS

The federal courts in North Dakota recently converted to a new phone system. Please make note of our new numbers:

Judge Hill's Chambers	297-7140
Linda Meister	297-7141
Sharon Horsager	297-7142
FAX #	297-7145

Bankruptcy Clerk's Office	297-7100
Ellen A. Johanson	297-7100
Dianne G. Schmitz	297-7100
Rita Goodwill	297-7101
Angie Altringer	297-7102
Ginger Elless	297-7103
Kay Melquist	297-7104
FAX #	297-7105
Damien Riehl	297-7106
Kathy Coder	297-7108
Ginger Schneider	297-7111

Automation	297-7150
Jim Snyder	297-7150
Ron Davies	297-7150

OUR NEW ADDRESS

On May 1 we began the process of moving to the *Quentin N. Burdick United States Courthouse*. Our new mailing address is:

U.S. Bankruptcy Court Clerk's Office
Quentin N. Burdick
United States Courthouse
655 1st Avenue North, Suite 210
Fargo, North Dakota 58102-4932

The Honorable William A. Hill, Judge
Quentin N. Burdick
United States Courthouse
655 1st Avenue North, Suite 350
Fargo, North Dakota 58102-4952

WEB PAGE WORKSHOP

By Jim Snyder, Systems Manager

PLAN

For the Future

The Clerk has established every October as a month to focus on our customers. We try to give you excellent service everyday, but in October we try to go over and above our usual services. This year the Bankruptcy Court's Automation Department will offer workshops on accessing our internet web site, www.ndb.uscourts.gov. Invitations with dates and locations will be mailed in the next month or two. For more information see the previous articles about our vision for the future, and the web site details.

Just a few topics to be discussed will be:

- ! What kind of equipment do I need?
- ! How do I find U.S. Bankruptcy Court on the World Wide Web?
- ! What is a browser? and What type of browser can I use?
- ! How can I use the information that I find on the web page?

We also want to give you some answers to FAQ or Frequently Asked Questions. We will keep these workshops short so that we can get as much general information to you as possible without getting too "techie". If you have an idea or a topic that you would like us to discuss, please feel free to call the Clerk's office at (701) 297-7100 and share your idea with us.